



3015 (02-09-04)

ANNUAL REPORT

OF

Name: TOWN OF SHEBOYGAN SANITARY DIST. # 3

Principal Office: 3932 SUPERIOR AVE.
SHEBOYGAN, WI 53081

For the Year Ended: DECEMBER 31, 1997

WATER, ELECTRIC, OR JOINT UTILITY
TO
PUBLIC SERVICE COMMISSION OF WISCONSIN

P.O. Box 7854
Madison, WI 53707-7854
(608) 266-3766

This form is required under Wis. Stat. § 196.07. Failure to file the form by the statutory filing date can result in the imposition of a penalty under Wis. Stat. § 196.66. The penalty which can be imposed by this section of the statutes is a forfeiture of not less than \$25 nor more than \$5,000 for each violation. Each day subsequent to the filing date constitutes a separate and distinct violation. The filed form is available to the public and personally identifiable information may be used for purposes other than those related to public utility regulation.

SIGNATURE PAGE

I _____ of
(Person responsible for accounts)

TOWN OF SHEBOYGAN SANITARY DIST. # 3 , certify that I
(Utility Name)

am the person responsible for accounts; that I have examined the following report and, to the best of my knowledge, information and belief, it is a correct statement of the business and affairs of said utility for the period covered by the report in respect to each and every matter set forth therein.

(Signature of person responsible for accounts) (Date)

(Title)

TABLE OF CONTENTS

Schedule Name	Page
General Rules for Reporting	i
Signature Page	ii
Table of Contents	iii
Identification and Ownership	iv
 FINANCIAL SECTION	
Income Statement	F-01
Income Statement Account Details	F-02
Income from Merchandising, Jobbing & Contract Work (Accts. 415-416)	F-03
Revenues Subject to Wisconsin Remainder Assessment	F-04
Balance Sheet	F-05
Net Utility Plant	F-06
Accumulated Provision for Depreciation and Amortization of Utility Plant	F-07
Net Nonutility Property (Accts. 121 & 122)	F-08
Accumulated Provision for Uncollectible Accounts-Cr. (Acct. 144)	F-09
Materials and Supplies	F-10
Unamortized Debt Discount & Expense & Premium on Debt (Accts. 181 and 251)	F-11
Capital Paid in by Municipality (Acct. 200)	F-12
Bonds (Acct. 221)	F-13
Notes Payable & Miscellaneous Long-Term Debt	F-14
Taxes Accrued (Acct. 236)	F-15
Interest Accrued (Acct. 237)	F-16
Contributions in Aid of Construction (Account 271)	F-17
Balance Sheet End-of-Year Account Balances	F-18
Return on Rate Base Computation	F-19
Return on Proprietary Capital Computation	F-20
Important Changes During the Year	F-21
Financial Section Footnotes	F-22
 WATER OPERATING SECTION	
Water Operating Revenues & Expenses	W-01
Water Operating Revenues - Sales of Water	W-02
Sales for Resale (Acct. 466)	W-03
Other Operating Revenues (Water)	W-04
Water Operation & Maintenance Expenses	W-05
Taxes (Acct. 408 - Water)	W-06
Water Utility Plant in Service	W-08
Source of Supply, Pumping and Purchased Water Statistics	W-10
Sources of Water Supply - Ground Waters	W-11
Sources of Water Supply - Surface Waters	W-12
Pumping & Power Equipment	W-13
Reservoirs, Standpipes & Water Treatment	W-14
Water Mains	W-15
Water Services	W-16
Meters	W-17
Hydrants and Distribution System Valves	W-18
Water Operating Section Footnotes	W-19

IDENTIFICATION AND OWNERSHIP

Exact Utility Name: TOWN OF SHEBOYGAN SANITARY DIST. # 3**Utility Address:** 3932 SUPERIOR AVE.
SHEBOYGAN, WI 53081**When was utility organized?** 1/31/1986**Report any change in name:****Effective Date:****Utility Web Site:**

Utility employee in charge of correspondence concerning this report:

Name: MRS SANDRA L. GREGER**Title:** TOWN ADMINISTRATOR**Office Address:**3932 SUPERIOR AVE.
SHEBOYGAN, WI 53081**Telephone:** (920) 451 - 2325**Fax Number:** (920) 451 - 2323**E-mail Address:**

Individual or firm, if other than utility employee, preparing this report:

Name: NONE**Title:****Office Address:****Telephone:****Fax Number:****E-mail Address:**

Are records of utility audited by individuals or firms, other than utility employee? YES

Individual or firm, if other than utility employee, auditing utility records:

Name: MR WILLIAM E. PETERSON CPA**Title:****Office Address:** WILLIAM E. PETERSON C.P.A.333 PINE ST.
SHEBOYGAN FALLS, WI 53085**Telephone:** (920) 467 - 8687**Fax Number:****E-mail Address:****Date of most recent audit report:** 3/7/1998**Period covered by most recent audit:** 01/01/97 TO 12/31/97

IDENTIFICATION AND OWNERSHIP

Names and titles of utility management including manager or superintendent:

Name: MR WILLIAM BLASHKA**Title:** CERTIFIED OPERATOR**Office Address:**3932 SUPERIOR AVENUE
SHEBOYGAN, WI 53081**Telephone:** (920) 451 - 2320**Fax Number:** (920) 451 - 2323**E-mail Address:**

Name: MRS SANDRA L GREGER**Title:** TOWN ADMINISTRATOR**Office Address:**3932 SUPERIOR AVENUE
SHEBOYGAN, WI 53081**Telephone:** (920) 451 - 2320**Fax Number:** (920) 451 - 2323**E-mail Address:**

Name of utility commission/committee: TOWN OF SHEBOYGAN SANITARY DISTRICT NO. 3 (WATER)

Names of members of utility commission/committee:

MR MARK FLASHER, TREASURER

MR DANIEL HEIN, PRESIDENT

MR JAMES R SCHWINN, SECRETARY

Is sewer service rendered by the utility? NO**If "yes," has the municipality, by ordinance, combined the water and sewer service into a single public utility, as provided by Wis. Stat. § 66.077 of the Wisconsin Statutes?** NO**Date of Ordinance:** **Are any of the utility administrative or operational functions under contract or agreement with an outside provider for the year covered by this annual report and/or current year (i.e., operation of water or sewer treatment plant)?** NO

Provide the following information regarding the provider(s) of contract services:

IDENTIFICATION AND OWNERSHIP

Firm Name:

Contact Person:

Title:

Telephone:

Fax Number:

E-mail Address:

Contract/Agreement beginning-ending dates:

Provide a brief description of the nature of Contract Operations being provided:

INCOME STATEMENT

Particulars (a)	This Year (b)	Last Year (c)	
UTILITY OPERATING INCOME			
Operating Revenues (400)	230,363	195,732	1
Operating Expenses:			
Operation and Maintenance Expense (401)	130,171	139,235	2
Depreciation Expense (403)	126,486	86,998	3
Amortization Expense (404)	0		4
Taxes (408)	4,666	724	5
Total Operating Expenses	261,323	226,957	
Net Operating Income	(30,960)	(31,225)	
Income from Utility Plant Leased to Others (412-413)	0		6
Utility Operating Income	(30,960)	(31,225)	
OTHER INCOME			
Income from Merchandising, Jobbing and Contract Work (415-416)	0		7
Nonoperating Rental Income (418)	0		8
Interest and Dividend Income (419)	106,004	70,525	9
Miscellaneous Nonoperating Income (421)	0		10
Total Other Income	106,004	70,525	
Total Income	75,044	39,300	
MISCELLANEOUS INCOME DEDUCTIONS			
Miscellaneous Amortization (425)	0		11
Other Income Deductions (426)	0		12
Total Miscellaneous Income Deductions	0	0	
Income Before Interest Charges	75,044	39,300	
INTEREST CHARGES			
Interest on Long-Term Debt (427)	141,381	142,394	13
Amortization of Debt Discount and Expense (428)			14
Amortization of Premium on Debt--Cr. (429)			15
Interest on Debt to Municipality (430)	0		16
Other Interest Expense (431)	2,639		17
Interest Charged to Construction--Cr. (432)			18
Total Interest Charges	144,020	142,394	
Net Income	(68,976)	(103,094)	
EARNED SURPLUS			
Unappropriated Earned Surplus (Beginning of Year) (216)	(221,137)	(118,043)	19
Balance Transferred from Income (433)	(68,976)	(103,094)	20
Miscellaneous Credits to Surplus (434)	0		21
Miscellaneous Debits to Surplus--Debit (435)	0		22
Appropriations of Surplus--Debit (436)	0		23
Appropriations of Income to Municipal Funds--Debit (439)	0		24
Total Unappropriated Earned Surplus End of Year (216)	(290,113)	(221,137)	

INCOME STATEMENT ACCOUNT DETAILS

1. Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.
2. Nonregulated sewer income should be reported as Miscellaneous Nonoperating Income, Account 421.

Description of Item (a)	Amount (b)	
Revenues from Utility Plant Leased to Others (412):		
NONE		1
Total (Acct. 412):	0	
Expenses of Utility Plant Leased to Others (413):		
NONE		2
Total (Acct. 413):	0	
Nonoperating Rental Income (418):		
NONE		3
Total (Acct. 418):	0	
Interest and Dividend Income (419):		
BANK AND SPECIAL ASSESSMENTS	106,004	4
Total (Acct. 419):	106,004	
Miscellaneous Nonoperating Income (421):		
NONE		5
Total (Acct. 421):	0	
Miscellaneous Amortization (425):		
NONE		6
Total (Acct. 425):	0	
Other Income Deductions (426):		
NONE		7
Total (Acct. 426):	0	
Miscellaneous Credits to Surplus (434):		
NONE		8
Total (Acct. 434):	0	
Miscellaneous Debits to Surplus (435):		
NONE		9
Total (Acct. 435)--Debit:	0	
Appropriations of Surplus (436):		
Detail appropriations to (from) account 215		10
Total (Acct. 436)--Debit:	0	
Appropriations of Income to Municipal Funds (439):		
NONE		11
Total (Acct. 439)--Debit:	0	

INCOME FROM MERCHANDISING, JOBBING & CONTRACT WORK (ACCTS. 415-416)

Particulars (a)	Water (b)	Electric (c)	Sewer (d)	Gas (e)	Total (f)	
Revenues (account 415)					0	1
Costs and Expenses of Merchandising, Jobbing and Contract Work (416):						
Cost of merchandise sold					0	2
Payroll					0	3
Materials					0	4
Taxes					0	5
Other (list by major classes):					0	6
Total costs and expenses	0	0	0	0	0	
Net income (or loss)	0	0	0	0	0	

REVENUES SUBJECT TO WISCONSIN REMAINDER ASSESSMENT

1. Report data necessary to calculate revenue subject to Wisconsin remainder assessment pursuant to Wis. Stat. § 196.85(2) and Wis. Admin. Code Ch. PSC 5.
2. If the sewer department is not regulated by the PSC, do not report sewer department data in column (d).

Description (a)	Water Utility (b)	Electric Utility (c)	Sewer Utility (Regulated Only) (d)	Gas Utility (e)	Total (f)	
Total operating revenues	230,363	0	0	0	230,363	1
Less: interdepartmental sales	0		0		0	2
Less: interdepartmental rents					0	3
Less: return on net investment in meters charged to regulated sewer department. (Do not report if nonregulated sewer.)	0				0	4
Less: uncollectibles directly expensed as reported in water acct. 904 (690 class D), sewer acct. 843, and electric acct. 904 (590 class D) -or- Net write-offs when Accumulated Provision for Uncollectible Accounts (acct. 144) is maintained					0	5
Other Increases or (Decreases) to Operating Revenues - Specify:						
.					0	6
Revenues subject to Wisconsin Remainder Assessment	230,363	0	0	0	230,363	

BALANCE SHEET

Assets and Other Debits (a)	Balance End of Year (b)	Balance First of Year (c)	
UTILITY PLANT			
Utility Plant (100)	7,709,998	6,898,633	1
Less: Accumulated Provision for Depreciation and Amortization of Utility Plant (110)	534,519	408,033	2
Net Utility Plant	7,175,479	6,490,600	
OTHER PROPERTY AND INVESTMENTS			
Nonutility Property (121)	0	0	3
Less: Accumulated Provision for Depreciation and Amortization of Nonutility Property (122)	0	0	4
Net Nonutility Property	0	0	
Investment in Municipality (123)	0	0	5
Other Investments (124)	1,284,717	1,325,814	6
Special Funds (125)	160,417	60,081	7
Total Other Property and Investments	1,445,134	1,385,895	
CURRENT AND ACCRUED ASSETS			
Cash and Working Funds (131)	103,738	74,452	8
Temporary Cash Investments (132)			9
Notes Receivable (141)	0		10
Customer Accounts Receivable (142)	33,871	26,776	11
Other Accounts Receivable (143)	0		12
Accumulated Provision for Uncollectible Accounts- -Cr. (144)	0	0	13
Receivables from Municipality (145)	139,499	140,043	14
Materials and Supplies (150)	0	0	15
Prepayments (165)	0	22,546	16
Other Current and Accrued Assets (170)			17
Total Current and Accrued Assets	277,108	263,817	
DEFERRED DEBITS			
Unamortized Debt Discount and Expense (181)	0		18
Extraordinary Property Losses (182)	0		19
Other Deferred Debits (183)	0		20
Total Deferred Debits	0	0	
Total Assets and Other Debits	8,897,721	8,140,312	

BALANCE SHEET

Liabilities and Other Credits (a)	Balance End of Year (b)	Balance First of Year (c)	
PROPRIETARY CAPITAL			
Capital Paid in by Municipality (200)	466,860	466,860	21
Appropriated Earned Surplus (215)			22
Unappropriated Earned Surplus (216)	(290,113)	(221,137)	23
Total Proprietary Capital	176,747	245,723	
LONG-TERM DEBT			
Bonds (221)			24
Advances from Municipality (223)	0		25
Other long-Term Debt (224)	2,890,937	2,654,541	26
Total Long-Term Debt	2,890,937	2,654,541	
CURRENT AND ACCRUED LIABILITIES			
Notes Payable (231)	0		27
Accounts Payable (232)	60,682	14,480	28
Payables to Municipality (233)	0		29
Customer Deposits (235)			30
Taxes Accrued (236)	0	0	31
Interest Accrued (237)	61,259	59,590	32
Other Current and Accrued Liabilities (238)			33
Total Current and Accrued Liabilities	121,941	74,070	
DEFERRED CREDITS			
Unamortized Premium on Debt (251)	0		34
Customer Advances for Construction (252)			35
Other Deferred Credits (253)	0		36
Total Deferred Credits	0	0	
OPERATING RESERVES			
Miscellaneous Operating Reserves (265)			37
Total Operating Reserves	0	0	
CONTRIBUTIONS IN AID OF CONSTRUCTION			
Contributions in Aid of Construction (271)	5,708,096	5,165,979	38
Total Liabilities and Other Credits	8,897,721	8,140,313	

NET UTILITY PLANT

Report utility plant accounts and related accumulated provisions for depreciation and amortization after allocation of common plant accounts and related provisions for depreciation and amortization to utility departments as of December 31.

Particulars (a)	Water (b)	Sewer (c)	Gas (d)	Electric (e)	
Plant Accounts:					
Utility Plant in Service (100)	7,703,995	0	0	0	1
Utility Plant Purchased or Sold (391)					2
Utility Plant in Process of Reclassification (392)					3
Utility Plant Leased to Others (393)					4
Property Held for Future Use (394)					5
Construction Work in Progress (395)	6,003				6
Utility Plant Acquisition Adjustments (396)					7
Other Utility Plant Adjustments (397)					8
Total Utility Plant	7,709,998	0	0	0	
Accumulated Provision for Depreciation and Amortization:					
Accumulated Provision for Depreciation of Utility Plant in Service (110)	534,519	0	0	0	9
Total Accumulated Provision	534,519	0	0	0	
Net Utility Plant	7,175,479	0	0	0	

ACCUMULATED PROVISION FOR DEPRECIATION AND AMORTIZATION OF UTILITY PLANT

Depreciation Accruals (Credits) during the year:

1. Report the amounts charged in the operating sections to Depreciation Expense (403).
2. If sewer operations are nonregulated, do not report sewer depreciation on this schedule.
3. Report the Depreciation Expense on Meters charged to sewer operations as an addition in the Water column.
If the sewer is also a regulated utility by the PSC, report an equal amount as a reduction in the Sewer column.
4. Report all other accruals charged to other accounts, such as to clearing accounts.

Particulars (a)	Water (b)	(c)	(d)	(e)	Total (f)	
Balance first of year	408,033				408,033	1
Credits During Year						2
Accruals:						3
Charged depreciation expense (403)	126,486				126,486	4
Depreciation expense on meters						5
charged to sewer (see Note 3)					0	6
Accruals charged other						7
accounts (specify):						8
					0	9
Salvage					0	10
Other credits (specify):						11
					0	12
Total credits	126,486	0	0	0	126,486	13
Debits during year						14
Book cost of plant retired					0	15
Cost of removal					0	16
Other debits (specify):						17
					0	18
Total debits	0	0	0	0	0	19
Balance End of Year	534,519	0	0	0	534,519	20
Composite Depreciation Rate?	No					21
If yes, what is the rate?						22

NET NONUTILITY PROPERTY (ACCTS. 121 & 122)

1. Report separately each item of property with a book cost of \$5,000 or more included in account 121.
2. Other items may be grouped by classes of property.
3. Describe in detail any investment in sewer department carried in this account.

Description (a)	Balance First of Year (b)	Additions During Year (c)	Deductions During Year (d)	Balance End of Year (e)	
Nonregulated sewer plant				0	1
Other (specify):				0	2
Total Nonutility Property (121)	0	0	0	0	
Less accum. prov. depr. & amort. (122)				0	3
Net Nonutility Property	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	

ACCUMULATED PROVISION FOR UNCOLLECTIBLE ACCOUNTS-CR. (ACCT. 144)

Particulars (a)	Amount (b)	
Balance first of year		1
Additions:		
Provision for uncollectibles during year		2
Collection of accounts previously written off: Utility Customers		3
Collection of accounts previously written off: Others		4
Total Additions	0	
Deductions:		
Accounts written off during the year: Utility Customers	0	5
Accounts written off during the year: Others		6
Total accounts written off	0	
Balance end of year	0	

MATERIALS AND SUPPLIES

Account (a)	Generation (b)	Transmission (c)	Distribution (d)	Other (e)	Total End of Year (f)	Amount Prior Year (g)
Electric Utility						
Fuel for generation					0	1
Other					0	2
Total Electric Utility					<u>0</u>	<u>0</u>

Account	Total End of Year	Amount Prior Year	
Electric utility total	0	0	1
Water utility			2
Sewer utility			3
Gas utility			4
Merchandise			5
Other materials & supplies			6
Total Materials and Supplies	<u>0</u>	<u>0</u>	

**UNAMORTIZED DEBT DISCOUNT & EXPENSE & PREMIUM ON DEBT
(ACCTS. 181 AND 251)**

Report net discount and expense or premium separately for each security issue.

Debt Issue to Which Related (a)	Written Off During Year		Balance End of Year (d)	
	Amount (b)	Account Charged or Credited (c)		
Unamortized debt discount & expense (181)				1
Total			<u>0</u>	
Unamortized premium on debt (251)				2
Total			<u>0</u>	

CAPITAL PAID IN BY MUNICIPALITY (ACCT. 200)

Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D, sewer and privates) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.

Particulars (a)	Amount (b)	
Balance first of year	466,860	1
Changes during year (explain):		
NONE		2
Balance end of year	466,860	

BONDS (ACCT. 221)

1. Report hereunder information required for each separate issue of bonds.
2. If there is more than one interest rate for an aggregate obligation issue, average the interest rates and report one rate.
3. Proceeds advanced by the municipality from sale of general obligation bonds, if repayable by utility, should be included in account 223.

Description of Issue (a)	Date of Issue (b)	Final Maturity Date (c)	Interest Rate (d)	Principal Amount End of Year (e)
-------------------------------------	----------------------------------	--	----------------------------------	---

NONE

NOTES PAYABLE & MISCELLANEOUS LONG-TERM DEBT

1. Report each class of debt included in Accounts 223, 224 and 231.
2. Proceeds of general obligation issues, if subject to repayment by the utility, should be included in Account 223.
3. If there is more than one interest rate for an aggregate obligation issue, average the interest rates and report one rate.

Account and Description of Obligation (a and b)	Date of Issue (c)	Final Maturity Date (d)	Interest Rate (e)	Principal Amount End of Year (f)	
Other Long-Term Debt (224)					
1995 FIRSTAR	09/01/1995	08/01/2005	6.00%	962,500	1
1997 FIRSTAR	07/08/1997	07/08/2006	5.00%	543,022	2
STATE OF WISC.	11/09/1994	03/15/2004	5.00%	495,415	3
1994 FIRSTAR	04/20/1994	03/01/2004	6.00%	890,000	4
Total for Account 224				<u>2,890,937</u>	

TAXES ACCRUED (ACCT. 236)

Particulars (a)	Amount (b)	
Balance first of year	0	1
Accruals:		
Charged water department expense	4,666	2
Charged electric department expense		3
Charged sewer department expense		4
Other (explain):		
NONE		5
Total Accruals and other credits	4,666	
Taxes paid during year:		
County, state and local taxes		6
Social Security taxes	4,666	7
PSC Remainder Assessment		8
Other (explain):		
NONE		9
Total payments and other debits	4,666	
Balance end of year	0	

INTEREST ACCRUED (ACCT. 237)

1. Report below interest accrued on each utility obligation.
 2. Report Customer Deposits under Account 231.

Description of Issue (a)	Interest Accrued Balance First of Year (b)	Interest Accrued During Year (c)	Interest Paid During Year (d)	Interest Accrued Balance End of Year (e)	
Bonds (221)					
NONE				0	1
Subtotal	0	0	0	0	
Advances from Municipality (223)					
NONE				0	2
Subtotal	0	0	0	0	
Other long-Term Debt (224)					
1994 FIRSTAR	18,727	57,254	54,670	21,311	3
1995 FIRSTAR	20,968	57,467	60,088	18,347	4
STATE TRUST	19,895	22,833	24,954	17,774	5
1997 FIRSTAR		3,827		3,827	6
Subtotal	59,590	141,381	139,712	61,259	
Notes Payable (231)					
TEMP LOANS		2,639	2,639	0	7
Subtotal	0	2,639	2,639	0	
Total	59,590	144,020	142,351	61,259	

CONTRIBUTIONS IN AID OF CONSTRUCTION (ACCOUNT 271)

Particulars (a)	Water (b)	Electric		Sewer (e)	Gas (f)	Total (g)	
		Distribution (c)	Other (d)				
Balance First of Year	5,165,979					5,165,979	1
Add credits during year:							
For Services	542,117					542,117	2
For Mains						0	3
Other (specify):							
NONE						0	4
Deduct charges (specify):							
NONE						0	5
Balance End of Year	5,708,096	0	0	0	0	5,708,096	
Amount of federal and state grants in aid received for utility construction included in End of Year totals	500,000					500,000	6

BALANCE SHEET END-OF-YEAR ACCOUNT BALANCES

Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.

Particulars (a)	Balance End of Year (b)	
Investment in Municipality (123):		
NONE		1
Total (Acct. 123):	0	
Other Investments (124):		
SPECIAL ASSESSMENT _ RECEIVABLE	1,284,717	2
Total (Acct. 124):	1,284,717	
Special Funds (125):		
CONSTRUCTION ACCOUNT	160,417	3
Total (Acct. 125):	160,417	
Notes Receivable (141):		
NONE		4
Total (Acct. 141):	0	
Customer Accounts Receivable (142):		
Water	33,871	5
Electric		6
Sewer (Regulated)		7
Other (specify):		
NONE		8
Total (Acct. 142):	33,871	
Other Accounts Receivable (143):		
Sewer (Non-regulated)		9
Merchandising, jobbing and contract work		10
Other (specify):		
NONE		11
Total (Acct. 143):	0	
Receivables from Municipality (145):		
TOWN OF SHEBOYGAN - FIRE PROTECTION	3,373	12
SPECIAL ASSESSMENTS	130,017	13
SPECIALS ASSES. DELINQ.	6,109	14
Total (Acct. 145):	139,499	
Prepayments (165):		
NONE		15
Total (Acct. 165):	0	
Extraordinary Property Losses (182):		
NONE		16
Total (Acct. 182):	0	

BALANCE SHEET END-OF-YEAR ACCOUNT BALANCES

Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.

Particulars (a)	Balance End of Year (b)
Other Deferred Debits (183):	
NONE	17
Total (Acct. 183):	0
Payables to Municipality (233):	
NONE	18
Total (Acct. 233):	0
Other Deferred Credits (253):	
NONE	19
Total (Acct. 253):	0

RETURN ON RATE BASE COMPUTATION

1. The data used in calculating rate base are averages.
2. Calculate those averages by summing the first-of-year and the end-of-year figures for each account and then dividing the sum by two.
3. Note: Do not include property held for future use or construction work in progress with utility plant in service. These are not rate base components.

Average Rate Base (a)	Water (b)	Electric (c)	Sewer (d)	Gas (e)	Total (f)	
Add Average:						
Utility Plant in Service	7,301,221	0	0	0	7,301,221	1
Materials and Supplies	0	0	0	0	0	2
Other (specify):						
NONE					0	3
Less Average:						
Reserve for Depreciation	471,276	0	0	0	471,276	4
Customer Advances for Construction					0	5
Contributions in Aid of Construction	5,437,037	0	0	0	5,437,037	6
Other (specify):						
NONE					0	7
Average Net Rate Base	1,392,908	0	0	0	1,392,908	
Net Operating Income	(30,960)	0	0	0	(30,960)	8
Net Operating Income as a percent of						
Average Net Rate Base	-2.22%	N/A	N/A	N/A	-2.22%	

RETURN ON PROPRIETARY CAPITAL COMPUTATION

1. The data used in calculating proprietary capital are averages.
2. Calculate those averages by summing the first-of-year and end-of-year figures for each account and then dividing by two.

Description (a)	Amount (b)	
Average Proprietary Capital		
Capital Paid in by Municipality	466,860	1
Appropriated Earned Surplus	0	2
Unappropriated Earned Surplus	(255,625)	3
Other (Specify):		4
Total Average Proprietary Capital	211,235	
Net Income		
Net Income	(68,976)	5
Percent Return on Proprietary Capital	-32.65%	

IMPORTANT CHANGES DURING THE YEAR

Report changes of any of the following types:

1. Acquisitions.

2. Leaseholder changes.

3. Extensions of service.

4. Estimated changes in revenues due to rate changes.

5. Obligations incurred or assumed, excluding commercial paper.

6. Formal proceedings with the Public Service Commission.

7. Any additional matters.

FINANCIAL SECTION FOOTNOTES

NONE

WATER OPERATING REVENUES & EXPENSES

Particulars (a)		Amounts (b)	
Operating Revenues			
Sales of Water			
Sales of Water (460-467)		230,363	1
Total Sales of Water		230,363	
Other Operating Revenues			
Forfeited Discounts (470)		0	2
Other Water Revenues (474)		0	3
Amortization of Construction Grants (475)		0	4
Total Other Operating Revenues		0	
Total Operating Revenues		230,363	
Operation and Maintenance Expenses			
Plant Operation and Maintenance Expenses (600-660)		78,250	5
General Operating Expenses (680-690)		51,921	6
Total Operation and Maintenance Expenses		130,171	
Other Operating Expenses			
Depreciation Expense (403)		126,486	7
Amortization Expense (404)			8
Taxes (408)		4,666	9
Total Other Operating Expenses		131,152	
Total Operating Expenses		261,323	
NET OPERATING INCOME		(30,960)	

WATER OPERATING REVENUES - SALES OF WATER

1. Where customer meters record cubic feet, multiply by 7.48 to obtain number of gallons.
2. Report estimated gallons for unmetered sales.
3. Sales to multiple dwelling buildings through a single meter serving 3 or more family units should be classified commercial.
4. Bulk sales should be account 460.

Particulars (a)	Average No. Customers (b)	Thousands of Gallons of Water Sold (c)	Amounts (d)	
Operating Revenues				
Sales of Water				
Unmetered Sales to General Customers (460)				
Residential	556	36,230	111,504	1
Commercial	45	14,284	35,136	2
Industrial				3
Total Unmetered Sales to General Customers (460)	601	50,514	146,640	
Metered Sales to General Customers (461)				
Residential				4
Commercial				5
Industrial				6
Total Metered Sales to General Customers (461)	0	0	0	
Private Fire Protection Service (462)				7
Public Fire Protection Service (463)	1		83,373	8
Other Sales to Public Authorities (464)	3	87	350	9
Sales to Irrigation Customers (465)				10
Sales for Resale (466)		0	0	11
Interdepartmental Sales (467)				12
Total Sales of Water	605	50,601	230,363	

SALES FOR RESALE (ACCT. 466)

Use a separate line for each delivery point.

Customer Name (a)	Point of Delivery (b)	Thousands of Gallons Sold (c)	Revenues (d)
------------------------------------	--	--	-------------------------------

NONE

OTHER OPERATING REVENUES (WATER)

1. Report revenues relating to each account and fully describe each item using other than the account title.
2. Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D and privates) and all other lesser amounts grouped as Miscellaneous.
3. For a combined utility which also provides sewer service that is based upon water readings, report the return on net investment in meters charged to sewer department in Other Water Revenues (474).

Particulars (a)	Amount (b)	
Public Fire Protection Service (463):		
Amount billed (usually per rate schedule F-1)	83,373	1
Wholesale fire protection billed		2
Amount billed for fighting fires outside utility's service areas (usually per rate schedule F-2 or BW-1)		3
Other (specify):		
NONE		4
Total Public Fire Protection Service (463)	83,373	
Forfeited Discounts (470):		
NONE		5
Total Forfeited Discounts (470)	0	
Other Water Revenues (474):		
Return on net investment in meters charged to sewer department		6
Other (specify):		
NONE		7
Total Other Water Revenues (474)	0	
Amortization of Construction Grants (475):		
NONE		8
Total Amortization of Construction Grants (475)	0	

WATER OPERATION & MAINTENANCE EXPENSES

Each expense account that has an increase or a decrease when compared to the previous year of greater than 30 percent, but not less than \$2,000, shall be fully explained in the schedule footnotes.

Particulars (a)	Amount (b)	
PLANT OPERATION AND MAINTENANCE EXPENSES		
Salaries and Wages (600)	35,207	1
Purchased Water (610)		2
Fuel or Power Purchased for Pumping (620)	6,587	3
Chemicals (630)		4
Supplies and Expenses (640)	17,579	5
Repairs of Water Plant (650)	18,877	6
Transportation Expenses (660)		7
Total Plant Operation and Maintenance Expenses	78,250	
GENERAL OPERATING EXPENSES		
Administrative and General Salaries (680)	22,890	8
Office Supplies and Expenses (681)	6,972	9
Outside Services Employed (682)	11,755	10
Insurance Expense (684)	7,488	11
Employees Pensions and Benefits (686)		12
Regulatory Commission Expenses (688)		13
Miscellaneous General Expenses (689)	2,816	14
Uncollectible Accounts (690)		15
Total General Operating Expenses	51,921	
Total Operation and Maintenance Expenses	130,171	

TAXES (ACCT. 408 - WATER)

When allocation of taxes is made between departments, explain method used.
--

Description of Tax (a)	Method Used to Allocate Between Departments (b)	Amount (c)	
Property Tax Equivalent			1
Less: Local and School Tax Equivalent on Meters Charged to Sewer Department			2
Net property tax equivalent		0	
Social Security		4,666	3
PSC Remainder Assessment			4
Other (specify): NONE			5
Total tax expense		4,666	

WATER UTILITY PLANT IN SERVICE

1. All adjustments, corrections and reclassifications should be reported in Column (f), Adjustments.
2. Explain fully as a schedule footnote the nature of all entries reported in Column (f), Adjustments.
3. Explain as a schedule footnote the dollar additions and retirements reported in Columns (c) and (e) for each account over \$10,000 not supported by statistical schedules.
4. Use only the account titles listed. If the utility has subaccounts other than account 372.1, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
INTANGIBLE PLANT			
Organization (301)			1
Franchises and Consents (302)			2
Miscellaneous Intangible Plant (303)			3
Total Intangible Plant	0	0	
SOURCE OF SUPPLY PLANT			
Land and Land Rights (310)	14,000		4
Structures and Improvements (311)			5
Collecting and Impounding Reservoirs (312)			6
Lake, River and Other Intakes (313)			7
Wells and Springs (314)	206,620		8
Infiltration Galleries and Tunnels (315)			9
Supply Mains (316)			10
Other Water Source Plant (317)			11
Total Source of Supply Plant	220,620	0	
PUMPING PLANT			
Land and Land Rights (320)	34,120		12
Structures and Improvements (321)	235,090		13
Boiler Plant Equipment (322)			14
Other Power Production Equipment (323)			15
Steam Pumping Equipment (324)			16
Electric Pumping Equipment (325)	294,245		17
Diesel Pumping Equipment (326)			18
Hydraulic Pumping Equipment (327)			19
Other Pumping Equipment (328)			20
Total Pumping Plant	563,455	0	
WATER TREATMENT PLANT			
Land and Land Rights (330)			21
Structures and Improvements (331)			22
Water Treatment Equipment (332)			23
Total Water Treatment Plant	0	0	
TRANSMISSION AND DISTRIBUTION PLANT			
Land and Land Rights (340)	1,000		24
Structures and Improvements (341)			25

WATER UTILITY PLANT IN SERVICE (cont.)

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)	
INTANGIBLE PLANT				
Organization (301)			0	1
Franchises and Consents (302)			0	2
Miscellaneous Intangible Plant (303)			0	3
Total Intangible Plant	0	0	0	
SOURCE OF SUPPLY PLANT				
Land and Land Rights (310)			14,000	4
Structures and Improvements (311)			0	5
Collecting and Impounding Reservoirs (312)			0	6
Lake, River and Other Intakes (313)			0	7
Wells and Springs (314)			206,620	8
Infiltration Galleries and Tunnels (315)			0	9
Supply Mains (316)			0	10
Other Water Source Plant (317)			0	11
Total Source of Supply Plant	0	0	220,620	
PUMPING PLANT				
Land and Land Rights (320)			34,120	12
Structures and Improvements (321)			235,090	13
Boiler Plant Equipment (322)			0	14
Other Power Production Equipment (323)			0	15
Steam Pumping Equipment (324)			0	16
Electric Pumping Equipment (325)			294,245	17
Diesel Pumping Equipment (326)			0	18
Hydraulic Pumping Equipment (327)			0	19
Other Pumping Equipment (328)			0	20
Total Pumping Plant	0	0	563,455	
WATER TREATMENT PLANT				
Land and Land Rights (330)			0	21
Structures and Improvements (331)			0	22
Water Treatment Equipment (332)			0	23
Total Water Treatment Plant	0	0	0	
TRANSMISSION AND DISTRIBUTION PLANT				
Land and Land Rights (340)			1,000	24
Structures and Improvements (341)			0	25

WATER UTILITY PLANT IN SERVICE

1. All adjustments, corrections and reclassifications should be reported in Column (f), Adjustments.
2. Explain fully as a schedule footnote the nature of all entries reported in Column (f), Adjustments.
3. Explain as a schedule footnote the dollar additions and retirements reported in Columns (c) and (e) for each account over \$10,000 not supported by statistical schedules.
4. Use only the account titles listed. If the utility has subaccounts other than account 372.1, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
TRANSMISSION AND DISTRIBUTION PLANT			
Distribution Reservoirs and Standpipes (342)	942,166		26
Transmission and Distribution Mains (343)	4,333,577	509,187	27
Fire Mains (344)			28
Services (345)	450,778	159,747	29
Meters (346)	63,533	10,332	30
Hydrants (348)	309,238	90,901	31
Other Transmission and Distribution Plant (349)			32
Total Transmission and Distribution Plant	6,100,292	770,167	
GENERAL PLANT			
Land and Land Rights (370)			33
Structures and Improvements (371)	902		34
Office Furniture and Equipment (372)	7,579	5,018	35
Computer Equipment (372.1)			36
Transportation Equipment (373)		25,444	37
Other General Equipment (379)	5,599	4,919	38
Other Tangible Property (390)			39
Total General Plant	14,080	35,381	
Total utility plant in service directly assignable	6,898,447	805,548	
Common Utility Plant Allocated to Water Department			40
Total utility plant in service	6,898,447	805,548	

WATER UTILITY PLANT IN SERVICE (cont.)

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)	
TRANSMISSION AND DISTRIBUTION PLANT				
Distribution Reservoirs and Standpipes (342)			942,166	26
Transmission and Distribution Mains (343)			4,842,764	27
Fire Mains (344)			0	28
Services (345)			610,525	29
Meters (346)			73,865	30
Hydrants (348)			400,139	31
Other Transmission and Distribution Plant (349)			0	32
Total Transmission and Distribution Plant	0	0	6,870,459	
GENERAL PLANT				
Land and Land Rights (370)			0	33
Structures and Improvements (371)			902	34
Office Furniture and Equipment (372)			12,597	35
Computer Equipment (372.1)			0	36
Transportation Equipment (373)			25,444	37
Other General Equipment (379)			10,518	38
Other Tangible Property (390)			0	39
Total General Plant	0	0	49,461	
Total utility plant in service directly assignable	0	0	7,703,995	
Common Utility Plant Allocated to Water Department			0	40
Total utility plant in service	0	0	7,703,995	

SOURCE OF SUPPLY, PUMPING AND PURCHASED WATER STATISTICS

Month (a)	Sources of Water Supply			Total Gallons All Methods (000's) (e)	
	Purchased Water Gallons (000's) (b)	Surface Water Gallons (000's) (c)	Ground Water Gallons (000's) (d)		
January			4,550	4,550	1
February			3,885	3,885	2
March			4,383	4,383	3
April			4,316	4,316	4
May			5,049	5,049	5
June			6,999	6,999	6
July			6,210	6,210	7
August			6,972	6,972	8
September			5,259	5,259	9
October			5,814	5,814	10
November			4,431	4,431	11
December			4,647	4,647	12
Total for year	0	0	62,515	62,515	
Less: Measured or estimated water used in main flushing and water treatment during year				1,701	13
Less: Other utility use				1,090	14
Other utility use explanation:					15
FUSH SEWERS 94					
MAIN BREAK 996					
Water pumped into distribution system				59,724	16
Less: Water sold				50,601	17
Losses and unaccounted for				9,123	18
Percent unaccounted for to the nearest whole percent (%)				15%	19
If more than 25%, indicate causes and state what action has been taken to reduce water loss:					20
Maximum gallons pumped by all methods in any one day during reporting year				623	21
Date of maximum: 10/8/1997					22
Cause of maximum:					23
WATER MAIN BREAK					
Minimum gallons pumped by all methods in any one day during reporting year				0	24
Date of minimum: 11/10/1997					25
Total KWH used for pumping for the year				109,600	26
If water is purchased: Vendor Name:					27
Point of Delivery:					28

SOURCES OF WATER SUPPLY - GROUND WATERS

Location (a)	Identification Number (b)	Depth in feet (c)	Well Diameter in inches (d)	Yield Per Day in gallons (e)	Currently In Service? (f)	
TOWN OF SHEBOYGAN	WELL #1	500	12	25,000	Yes	1
TOWN OF SHEBOYGAN	WELL #2	740	12	170,000	Yes	2

SOURCES OF WATER SUPPLY - SURFACE WATERS

Location (a)	Intakes			
	Identification Number (b)	Distance From Shore in feet (c)	Depth Below Surface in feet (d)	Diameter in inches (e)
NONE				

1

PUMPING & POWER EQUIPMENT

1. Use a separate column for each pump.
2. Indicate purpose of pump by: P for primary (from source to reservoir, treatment or distribution system), B for booster (from reservoir or treatment to distribution system, or within distribution system), or S for standby pumping equipment.
3. Indicate destination (of water pumped) by: R for reservoir, T for treatment or D for distribution system.

Particulars (a)	Unit A (b)	Unit B (c)	Unit C (d)	
Identification	WELL 1	WELL 2		1
Location	TOWN OF SHEBOYGAN	TOWN OF SHEBOYGAN		2
Purpose	P	P		3
Destination	D	D		4
Pump Manufacturer	PEERLESS	LAYNE		5
Year Installed	1987	1995		6
Type	VERTICAL TURBINE	VERTICAL TURBINE		7
Actual Capacity (gpm)	300	400		8
Pump Motor or Standby Engine Mfr	U. S. MOTORS	U. S. MOTORS		10
Year Installed	1987	1995		11
Type	ELECTRIC	ELECTRIC		12
Horsepower	40	40		13

Particulars (a)	Unit D (b)	Unit E (c)	Unit F (d)	
Identification				14
Location				15
Purpose				16
Destination				17
Pump Manufacturer				18
Year Installed				19
Type				20
Actual Capacity (gpm)				21
Pump Motor or Standby Engine Mfr				22
Year Installed				23
Type				24
Horsepower				25
				26

RESERVOIRS, STANDPIPES & WATER TREATMENT

1. Identify as R (reservoir), S (standpipe) & ET (elevated tank).
2. Use a separate column for each using additional copies if necessary.
3. Enter elevation difference between highest water level in S or ET, (or R only on an elevated site) and the water main where the connection to the storage begins branching into the distribution system.

Particulars (a)	Unit A (b)	Unit B (c)	Unit C (d)
Identification number or name	1	2	1
RESERVOIRS, STANDPIPES OR ELEVATED TANKS			2
			3
Type: R (reservoir), S (standpipe) or ET (elevated tank)	ET	ET	4
	ET	ET	5
Year constructed	1987	1995	6
Primary material (earthen, steel, concrete, other)	STEEL	STEEL	7
	STEEL	STEEL	8
Elevation difference in feet (See Headnote 3.)	160	172	9
	160	172	10
Total capacity in gallons	200,000	300,000	11
WATER TREATMENT PLANT			12
Disinfection, type of equipment (gas, liquid, powder, other)			13
			14
Points of application (wellhouse, central facilities, booster station, other)			15
			16
			17
Filters, type (gravity, pressure, other, none)			18
			19
Rated capacity of filter plant (m.g.d.) (note: 1,200,000 gal/day = 1.2 m.g.d.)			20
			21
			22
Is a corrosion control chemical used (yes, no)?			23
			24
Is water fluoridated (yes, no)?			25

WATER MAINS

1. Report mains separately by pipe material, function, diameter and either within or outside the municipal boundaries.
2. Identify pipe material as: L (Lead), M (Metal for all other metal excluding lead), A (Asbestos-cement), or P (Plastic for plastic and all other non-metal excluding asbestos-cement).
3. Identify function as: T (Transmission), D (Distribution) or S (Supply).
4. Explain all reported adjustments as a schedule footnote.
5. For main additions reported in column (e), as a schedule footnote:
 - a. Explain how the additions were financed.
 - b. If assessed against property owners, explain the basis of the assessments.
 - c. If the assessments are deferred, explain.

Number of Feet							
Pipe Material (a)	Main Function (b)	Diameter in Inches (c)	First of Year (d)	Added During Year (e)	Retired During Year (f)	Adjustments Increase or (Decrease) (g)	End of Year (h)
P	D	6.000	6,248	340			6,588
P	D	8.000	43,135	13,196			56,331
P	D	12.000	67,491	5,653			73,144
P	D	15.000	590				590
Total Within Municipality			117,464	19,189	0	0	136,653
Total Utility			117,464	19,189	0	0	136,653

1
2
3
4

WATER SERVICES

1. Explain all reported adjustments as a schedule footnote.
2. Report in column (h) the number of utility-owned services included in columns (c) through (g) which are temporarily shut off at the curb box or otherwise not in use at end of year.
3. For services added during the year in column (d), as a schedule footnote:
 - a. Explain how the additions were financed.
 - b. If assessed against property owners, explain the basis of the assessments.
 - c. If installed by a property owner or developer, explain the basis of recording the cost of the additions, the total amount and the number of services recorded under this method.
 - d. If any were financed by application of Cz-1, provide the total amount recorded and the number of services recorded under this method.
4. Report services separately by pipe material and diameter.
5. Identify pipe material as: L (Lead), M (Metal for all other metal excluding lead), A (Asbestos-cement) or P (Plastic for plastic and all other non-metal excluding asbestos-cement).

Pipe Material (a)	Diameter in Inches (b)	First of Year (c)	Added During Year (d)	Removed or Permanently Disconnected During Year (e)	Adjustments Increase or (Decrease) (f)	End of Year (g)	Utility Owned Services Not In Use at End of Year (h)	
P	0.625	556	74			630		1
P	1.500	12	1			13		2
P	2.000	6	1			7		3
P	3.000	1	0			1		4
Total Utility		575	76	0	0	651	0	

METERS

1. Include in Columns (b), (c), (d), (e) and (f) meters in stock as well as those in service.
2. Report in Column (c) all meters purchased during the year and in Column (d) all meters junked, sold or otherwise permanently retired during the year.
3. Use Column (e) to show correction to previously reported meter count because of inventory or property record corrections.
4. Totals by size in Column (f) should equal same size totals in Column (o).

Number of Utility-Owned Meters

Size of Meter (a)	First of Year (b)	Added During Year (c)	Retired During Year (d)	Adjustments Increase or (Decrease) (e)	End of Year (f)	Tested During Year (g)	
0.625	572	84	19		637	22	1
1.000	3	2			5		2
1.500	12	3	2		13	2	3
2.000	6	2			8		4
3.000	1	1	1		1	1	5
Total:	594	92	22	0	664	25	

Classification of All Meters at End of Year by Customers

Size of Meter (h)	Residential (i)	Commercial (j)	Industrial (k)	Public Authority (l)	Wholesale, Inter-Department or Utility Use (m)	In Stock and Deduct Meters (n)	Total (o)	
0.625	603	25		2		7	637	1
1.000	1	3				1	5	2
1.500	1	11		1			13	3
2.000	1	5				2	8	4
3.000		1					1	5
Total:	606	45	0	3	0	10	664	

HYDRANTS AND DISTRIBUTION SYSTEM VALVES

1. Distinguish between fire and flushing hydrants by lead size.
 - a. Fire hydrants normally have a lead size of 6 inches or greater.
 - b. Record as a flushing hydrant where the lead size is less than 6 inches or if pressure is inadequate to provide fire flow.
2. Explain all reported adjustments in the schedule footnotes.
3. Report fire hydrants as within or outside the municipal boundaries.

Hydrant Type (a)	Number In Service First of Year (b)	Added During Year (c)	Removed During Year (d)	Adjustments Increase or (Decrease) (e)	Number In Service End of Year (f)	
Fire Hydrants						
Outside of Municipality					0	1
Within Municipality	243	54			297	2
Total Fire Hydrants	243	54	0	0	297	
Flushing Hydrants						
					0	3
Total Flushing Hydrants	0	0	0	0	0	

Wis. Admin. Code § 185.87 requires that a schedule shall be adopted and followed for operating each system valve and hydrant at least once each two years. Report the number operated during the year

Number of hydrants operated during year:	243
Number of distribution system valves end of year:	661
Number of distribution valves operated during year:	120

WATER OPERATING SECTION FOOTNOTES

NONE